sponsored programmes/schemes are provided by banks as per norms stipulated under respective programmes/schemes by the Government and Reserve Bank of India.

Audit of Foreign Currency Account

2073. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether RBI ordered as special audit of the foreign currency (non-resident) accounts for the period April, 1990 to March, 1994;

(b) whether the foreign banks were also subjected to special audits; and

(c) if so, the reasons therefor and findings thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (c) A special audit has been instituted by the Reserve Bank of India to reconcile the books of the Reserve Bank of India and the authorised dealers handling foreign currency non-resident accounts transactions in order to locate any discrepancies in interest claims and purchases made by the authorised dealers from the Reserve Bank of India. The auditors have been advised to cover a period of four years from April 1, 1990 to March 31, 1994. The irregularities in individual banks, including foreign banks, if any, would be known only after the special audits are completed.

Expedite Reforms for Loans

2074. SHRI DEBABRATA BISWAS:
SHRI JOYANTA ROY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that World Bank has asked Government to expedite the reforms in order that India becomes qualified to get loans; and

(b) if so, the reaction of Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Since June 1991, the Government has initiated a programme of stabilisation and economic reforms. The objective of the Government has been to consolidate the gains of the reforms already undertaken as well as to accelerate the pace of reforms in the sectors in which the progress has so far been weak. Further reforms in these sectors is, therefore, not only a part of Government policy but will also make the environment more conducive and improve the viability of projects which World Bank can finance.

News-Item Captioned Lack of Exit Policy Hindering Investment

2075. SHRI VIREN J. SHAH: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news item which appeared in the 'Economic Times' of September 20, 1994 under the caption, "Lack of exit policy hindering investment";

(b) if so, what are the facts and the relevant details in this regard;

(c) whether absence of exit policy, re-infrastructural constraints and red tape are the major factors inhibiting sizeable Japanese investment in India; and

(d) if so, what concrete steps the Government have taken or propose to take to remove these and other constraints and to encourage foreign investment in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) The information is being collected and will be laid on the Table of the House.

Acceptance of Pay Orders Issued by Banks

2076. SHRI MOHAMMED AFZAL *ALIAS* MEEM AFZAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government Departments accept pay orders issued by the Banks;

(b) whether pay orders issued by the Non-scheduled Primary Urban Co-op. Banks are also accepted; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Cheques, drafts and Pay Orders issued by 'A', 'B' or 'C' class Central Co-operative Banks/Non-scheduled State Co-operative Banks are accepted as Security by the Government Departments.

(c) In view of reply to part (a) and (b) above, question does not arise.

Outstanding Loan Against Farmers

2077. SHRI BHUPINDER SINGH MANN: Will the Minister of FINANCE be pleased to state:

(a) the total loan outstanding against the farmers of the country, year-wise for the last three years;

(b) the total interest paid on these loans, year-wise; and